

Translation

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## Summary of Consolidated Financial Results for the Six Months Ended August 31, 2019 (Based on Japanese GAAP)

October 10, 2019

Company name: Plenus Co., Ltd.  
 Stock exchange listing: Tokyo  
 Stock code: 9945 URL <https://www.plenus.co.jp/>  
 Representative: President and Representative Director Tatsuo Shioi  
 Inquiries: IR Department Manager Toshiyuki Fujinami TEL 03(6892)0304  
 Scheduled date to file Quarterly Securities Report: October 11, 2019  
 Scheduled date to commence dividend payments: November 6, 2019  
 Preparation of supplementary material on quarterly financial results: Yes  
 Holding of quarterly financial results meeting: Yes (for analysts and institutional investors)

(Amounts less than one million yen are rounded down)

1. Consolidated financial results for the six months ended August 31, 2019 (from March 1, 2019 to August 31, 2019)

(1) Consolidated operating results (cumulative)

Percentages indicate year-on-year changes

|                                  | Net sales       |       | Operating profit |        | Ordinary profit |        | Profit attributable to owners of parent |   |
|----------------------------------|-----------------|-------|------------------|--------|-----------------|--------|---|---|
|                                  | Millions of yen | %     | Millions of yen  | %      | Millions of yen | %      | Millions of yen                         | % |
| Six months ended August 31, 2019 | 75,756          | (1.2) | 182              | 960.3  | 341             | 16.2   | (873)                                   | – |
| Six months ended August 31, 2018 | 76,687          | 4.3   | 17               | (99.5) | 293             | (91.1) | (358)                                   | – |

|                                  | Earnings per share | Diluted earnings per share |
|----------------------------------|--------------------|----------------------------|
|                                  | Yen                | Yen                        |
| Six months ended August 31, 2019 | (22.81)            | –                          |
| Six months ended August 31, 2018 | (9.35)             | –                          |

(2) Consolidated financial position

|                         | Total assets    | Net assets      | Equity ratio |
|-------------------------|-----------------|-----------------|--------------|
|                         | Millions of yen | Millions of yen | %            |
| As of August 31, 2019   | 87,410          | 58,686          | 66.4         |
| As of February 28, 2019 | 87,387          | 60,623          | 68.6         |

2. Cash dividends

|  | Annual dividends per share |                 |                 |                 |       |
|--|----------------------------|-----------------|-----------------|-----------------|-------|
|  | 1st quarter-end            | 2nd quarter-end | 3rd quarter-end | Fiscal year-end | Total |
|  | Yen                        | Yen             | Yen             | Yen             | Yen   |
| Year ended February 28, 2019             | –                          | 30.00           | –               | 30.00           | 60.00 |
| Year ending February 29, 2020            | –                          | 30.00           |                 |                 |       |
| Year ending February 29, 2020 (Forecast) |                            |                 | –               | 30.00           | 60.00 |

3. Forecast of consolidated financial results for the year ending February 29, 2020 (from March 1, 2019 to February 29, 2020)

Percentages indicate year-on-year changes

|           | Net sales       |       | Operating profit |   | Ordinary profit |       | Profit attributable to owners of parent |   | Earnings per share |
|-----------|-----------------|-------|------------------|---|-----------------|-------|---|---|--------------------|
|           | Millions of yen | %     | Millions of yen  | % | Millions of yen | %     | Millions of yen                         | % | Yen                |
| Full year | 153,310         | (0.4) | 650              | – | 1,070           | 647.2 | (830)                                   | – | (21.68)            |

4. Notes

- (1) Changes in significant subsidiaries during the six months ended August 31, 2019  
 (changes in specified subsidiaries resulting in the change in scope of consolidation): No
- (2) Application of special accounting methods for preparing quarterly consolidated financial statements: Yes
- (3) Changes in accounting policies, changes in accounting estimates, and restatement of prior period financial statements
- Changes in accounting policies due to revisions to accounting standards and other regulations: No
- Changes in accounting policies due to other reasons: No
- Changes in accounting estimates: No
- Restatement of prior period financial statements: No

(4) Number of issued shares (common shares)

Total number of issued shares at the end of the period (including treasury shares)

|                       |                   |                         |                   |
|-----------------------|-------------------|-------------------------|-------------------|
| As of August 31, 2019 | 44,392,680 shares | As of February 28, 2019 | 44,392,680 shares |
|-----------------------|-------------------|-------------------------|-------------------|

Number of treasury shares at the end of the period

|                       |                  |                         |                  |
|-----------------------|------------------|-------------------------|------------------|
| As of August 31, 2019 | 6,064,309 shares | As of February 28, 2019 | 6,103,709 shares |
|-----------------------|------------------|-------------------------|------------------|

Average number of shares during the period (cumulative from the beginning of the fiscal year)

|                                  |                   |                                  |                   |
|----------------------------------|-------------------|----------------------------------|-------------------|
| Six months ended August 31, 2019 | 38,307,600 shares | Six months ended August 31, 2018 | 38,288,973 shares |
|----------------------------------|-------------------|----------------------------------|-------------------|

**Quarterly consolidated financial statements**  
**Consolidated balance sheets**

(Millions of yen)

|  | As of February 28, 2019 | As of August 31, 2019 |
|--|-------------------------|-----------------------|
| <b>Assets</b>                              |                         |                       |
| <b>Current assets</b>                      |                         |                       |
| Cash and deposits                          | 7,447                   | 9,332                 |
| Notes and accounts receivable - trade      | 2,377                   | 2,606                 |
| Merchandise and finished goods             | 5,368                   | 5,328                 |
| Raw materials and supplies                 | 163                     | 184                   |
| Other                                      | 2,805                   | 2,626                 |
| Allowance for doubtful accounts            | (303)                   | (388)                 |
| <b>Total current assets</b>                | <b>17,859</b>           | <b>19,690</b>         |
| <b>Non-current assets</b>                  |                         |                       |
| <b>Property, plant and equipment</b>       |                         |                       |
| Buildings and structures, net              | 35,381                  | 33,730                |
| Other, net                                 | 14,797                  | 14,368                |
| <b>Total property, plant and equipment</b> | <b>50,179</b>           | <b>48,098</b>         |
| <b>Intangible assets</b>                   |                         |                       |
| Goodwill                                   | 1,086                   | 993                   |
| Other                                      | 1,834                   | 1,972                 |
| <b>Total intangible assets</b>             | <b>2,921</b>            | <b>2,966</b>          |
| <b>Investments and other assets</b>        |                         |                       |
| Other                                      | 16,458                  | 16,686                |
| Allowance for doubtful accounts            | (31)                    | (31)                  |
| <b>Total investments and other assets</b>  | <b>16,426</b>           | <b>16,654</b>         |
| <b>Total non-current assets</b>            | <b>69,527</b>           | <b>67,719</b>         |
| <b>Total assets</b>                        | <b>87,387</b>           | <b>87,410</b>         |
| <b>Liabilities</b>                         |                         |                       |
| <b>Current liabilities</b>                 |                         |                       |
| Notes and accounts payable - trade         | 6,229                   | 6,936                 |
| Short-term loans payable                   | 317                     | 400                   |
| Income taxes payable                       | 545                     | 429                   |
| Provision for bonuses                      | 335                     | 374                   |
| Provision for point card certificates      | 186                     | 249                   |
| Provision for shareholder benefit program  | 162                     | 56                    |
| Asset retirement obligations               | 22                      | 407                   |
| Other                                      | 8,763                   | 10,167                |
| <b>Total current liabilities</b>           | <b>16,562</b>           | <b>19,021</b>         |
| <b>Non-current liabilities</b>             |                         |                       |
| Long-term loans payable                    | 1,299                   | 1,270                 |
| Net defined benefit liability              | 81                      | 88                    |
| Asset retirement obligations               | 5,671                   | 5,313                 |
| Other                                      | 3,148                   | 3,028                 |
| <b>Total non-current liabilities</b>       | <b>10,201</b>           | <b>9,701</b>          |
| <b>Total liabilities</b>                   | <b>26,763</b>           | <b>28,723</b>         |

(Millions of yen)

|   | As of February 28, 2019 | As of August 31, 2019 |
|---|-------------------------|-----------------------|
| Net assets  |                         |                       |
| Shareholders' equity                                  |                         |                       |
| Capital stock   | 3,461                   | 3,461                 |
| Capital surplus                                       | 4,777                   | 4,760                 |
| Retained earnings                                     | 63,537                  | 61,514                |
| Treasury shares                                       | (11,897)                | (11,820)              |
| Total shareholders' equity                            | 59,878                  | 57,915                |
| Accumulated other comprehensive income                |                         |                       |
| Valuation difference on available-for-sale securities | 22                      | 0                     |
| Foreign currency translation adjustment               | 22                      | 104                   |
| Total accumulated other comprehensive income          | 44                      | 104                   |
| Share acquisition rights                              | 266                     | 236                   |
| Non-controlling interests                             | 433                     | 430                   |
| Total net assets                                      | 60,623                  | 58,686                |
| Total liabilities and net assets                      | 87,387                  | 87,410                |

## Consolidated statements of income (cumulative) and consolidated statements of comprehensive income (cumulative)

### Consolidated statements of income (cumulative)

(Millions of yen)

|   | Six months ended<br>August 31, 2018 | Six months ended<br>August 31, 2019 |
|---|-------------------------------------|-------------------------------------|
| Net sales   | 76,687                              | 75,756                              |
| Cost of sales   | 37,186                              | 37,776                              |
| Gross profit  | 39,500                              | 37,979                              |
| Selling, general and administrative expenses                | 39,483                              | 37,796                              |
| Operating profit  | 17                                  | 182                                 |
| Non-operating income  |                                     |                                     |
| Interest income   | 17                                  | 14                                  |
| Dividend income   | 2                                   | 2                                   |
| Rent income on non-current assets                           | 68                                  | 68                                  |
| Compensation income   | 20                                  | 35                                  |
| Insurance income  | 116                                 | 81                                  |
| Other   | 123                                 | 142                                 |
| Total non-operating income                                  | 348                                 | 344                                 |
| Non-operating expenses                                      |                                     |                                     |
| Rent expenses on non-current assets                         | 3                                   | 3                                   |
| Share of loss of entities accounted for using equity method | 19                                  | 20                                  |
| Foreign exchange losses                                     | 12                                  | 124                                 |
| Provision of allowance for doubtful accounts                | 1                                   | –                                   |
| Other   | 34                                  | 37                                  |
| Total non-operating expenses                                | 72                                  | 186                                 |
| Ordinary profit   | 293                                 | 341                                 |
| Extraordinary income  |                                     |                                     |
| Gain on sales of non-current assets                         | 0                                   | 0                                   |
| Subsidy income  | –                                   | 109                                 |
| Total extraordinary income                                  | 0                                   | 110                                 |
| Extraordinary losses  |                                     |                                     |
| Loss on disposal of non-current assets                      | 240                                 | 174                                 |
| Impairment loss   | 73                                  | 987                                 |
| Loss on reduction of non-current assets                     | –                                   | 100                                 |
| Other   | 4                                   | 1                                   |
| Total extraordinary losses                                  | 317                                 | 1,263                               |
| Loss before income taxes                                    | (24)                                | (811)                               |
| Income taxes  | 332                                 | 62                                  |
| Loss  | (356)                               | (874)                               |
| Profit (loss) attributable to non-controlling interests     | 1                                   | (0)                                 |
| Loss attributable to owners of parent                       | (358)                               | (873)                               |

**Consolidated statements of comprehensive income (cumulative)**

(Millions of yen)

|  | Six months ended<br>August 31, 2018 | Six months ended<br>August 31, 2019 |
|--|-------------------------------------|-------------------------------------|
| Loss   | (356)                               | (874)                               |
| Other comprehensive income   |                                     |                                     |
| Valuation difference on available-for-sale securities                                | (15)                                | (21)                                |
| Foreign currency translation adjustment  | (77)                                | 105                                 |
| Share of other comprehensive income of entities accounted<br>for using equity method | (11)                                | (25)                                |
| Total other comprehensive income   | (103)                               | 58                                  |
| Comprehensive income   | (460)                               | (816)                               |
| Comprehensive income attributable to   |                                     |                                     |
| Comprehensive income attributable to owners of parent                                | (463)                               | (814)                               |
| Comprehensive income attributable to non-controlling<br>interests                    | 3                                   | (2)                                 |

## Consolidated statements of cash flows

(Millions of yen)

|   | Six months ended<br>August 31, 2018 | Six months ended<br>August 31, 2019 |
|---|-------------------------------------|-------------------------------------|
| Cash flows from operating activities  |                                     |                                     |
| Loss before income taxes  | (24)                                | (811)                               |
| Depreciation  | 2,771                               | 3,278                               |
| Impairment loss   | 73                                  | 987                                 |
| Amortization of goodwill  | 110                                 | 93                                  |
| Loss on retirement of property, plant and equipment and intangible assets   | 240                                 | 174                                 |
| Increase (decrease) in allowance for doubtful accounts                      | 59                                  | 85                                  |
| Increase (decrease) in provision for bonuses                                | 0                                   | 39                                  |
| Increase (decrease) in provision for directors' bonuses                     | (3)                                 | –                                   |
| Increase (decrease) in net defined benefit liability                        | 20                                  | 6                                   |
| Increase (decrease) in provision for point card certificates                | 0                                   | 63                                  |
| Increase (decrease) in provision for shareholder benefit program            | (63)                                | (105)                               |
| Interest and dividend income  | (19)                                | (16)                                |
| Foreign exchange losses (gains)   | 9                                   | 57                                  |
| Share of loss (profit) of entities accounted for using equity method        | 19                                  | 20                                  |
| Loss (gain) on sales of property, plant and equipment and intangible assets | (0)                                 | (0)                                 |
| Decrease (increase) in notes and accounts receivable - trade                | 146                                 | (236)                               |
| Decrease (increase) in inventories  | (594)                               | 17                                  |
| Increase (decrease) in notes and accounts payable - trade                   | 1,595                               | 711                                 |
| Increase (decrease) in accrued expenses                                     | 338                                 | 173                                 |
| Increase (decrease) in accrued consumption taxes                            | (57)                                | 1,142                               |
| Increase (decrease) in deposits received                                    | 456                                 | 456                                 |
| Other, net  | 86                                  | 155                                 |
| Subtotal  | 5,165                               | 6,289                               |
| Interest and dividend income received                                       | 19                                  | 16                                  |
| Interest expenses paid  | (3)                                 | (5)                                 |
| Income taxes paid   | (566)                               | (375)                               |
| Net cash provided by (used in) operating activities                         | 4,615                               | 5,924                               |
| Cash flows from investing activities  |                                     |                                     |
| Payments into time deposits   | (3,532)                             | (27)                                |
| Proceeds from withdrawal of time deposits                                   | 6,012                               | 12                                  |
| Purchase of property, plant and equipment                                   | (6,709)                             | (2,787)                             |
| Payments for retirement of property, plant and equipment                    | (44)                                | (83)                                |
| Proceeds from sales of property, plant and equipment                        | 12                                  | 0                                   |
| Purchase of intangible assets   | (479)                               | (318)                               |
| Payments of loans receivable  | (169)                               | (20)                                |
| Collection of loans receivable  | 143                                 | 112                                 |
| Payments for guarantee deposits   | (220)                               | (74)                                |
| Proceeds from collection of guarantee deposits                              | 86                                  | 86                                  |
| Other, net  | (2)                                 | 100                                 |
| Net cash provided by (used in) investing activities                         | (4,903)                             | (2,999)                             |

(Millions of yen)

|  | Six months ended<br>August 31, 2018 | Six months ended<br>August 31, 2019 |
|--|-------------------------------------|-------------------------------------|
| Cash flows from financing activities   |                                     |                                     |
| Increase in short-term loans payable   | 956                                 | –                                   |
| Decrease in short-term loans payable   | (856)                               | (51)                                |
| Proceeds from long-term loans payable  | 1,273                               | 142                                 |
| Repayments of long-term loans payable  | (16)                                | (11)                                |
| Purchase of treasury shares  | (0)                                 | –                                   |
| Cash dividends paid  | (1,149)                             | (1,149)                             |
| Other, net   | (12)                                | (15)                                |
| Net cash provided by (used in) financing activities  | 195                                 | (1,085)                             |
| Effect of exchange rate change on cash and cash equivalents  | (27)                                | 29                                  |
| Net increase (decrease) in cash and cash equivalents   | (119)                               | 1,870                               |
| Cash and cash equivalents at beginning of period   | 11,181                              | 7,221                               |
| Increase in cash and cash equivalents from newly consolidated subsidiary   | 128                                 | –                                   |
| Increase (decrease) in cash and cash equivalents resulting from change of accounting period of consolidated subsidiaries | (62)                                | –                                   |
| Cash and cash equivalents at end of period   | 11,126                              | 9,091                               |